

## MEMORANDUM

**TO:** Superintendents, Business Officials

**FROM:** Lance Rhodes, Chief Financial Officer

Indiana Department of Education

**DATE:** January 25, 2010

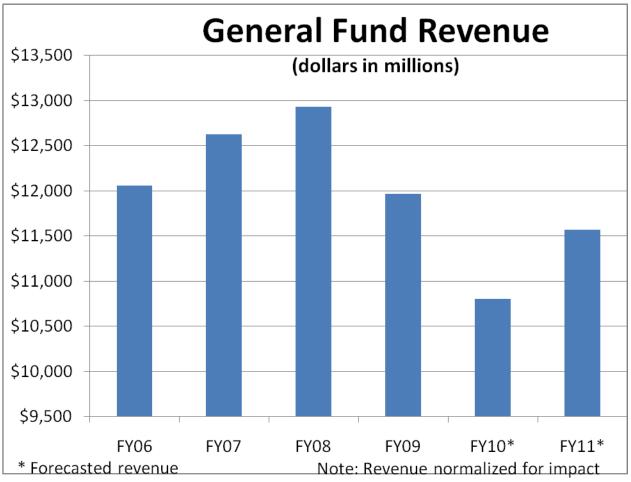
**SUBJECT:** 2010 State Tuition Support Distributions

I would like to provide additional details and clarify some salient points concerning recent necessary adjustments of the K-12 distributions to Indiana public schools.

The total adjustment required from the K-12 distribution for CY2010 is \$298,437,168.00. This represents an approximate cut of 3% funding when compared to CY2009. I realize this action will require each corporation to make thoughtful and meaningful adjustments in their budgeting processes, as historically budgets are based on anticipated distributions. The uniqueness of the current fiscal situation has caused many changes in established business behavior.

The January 2010 distribution has been completed. The February 2010 will reflect adjustments due to Special Education counts. This distribution will more accurately reflect a school corporation's general tuition revenue stream for the 2010 calendar year.

It is important to emphasize again that these adjustments represent a *complete reset* to the funding of K-I2 education in Indiana. Please find below a chart detailing Indiana's General Fund Revenue FY06 to projected FYII. Schools should not anticipate a restoration of tuition support funding to previous levels. It is incumbent on all of us to look at our business processes and practices in an effort to develop a new paradigm to address this challenge in education for years to come.



of HEA 1001 (2008)